

STATEMENT OF PURPOSE

RS19412

In last year's session, Governor Otter identified that state general funds were being spent for vaccines of insured children. Although allowable by law, given the economic concerns the Governor and the Legislature concurred that the general fund should not be funding immunizations for insured children. Unfortunately, that decision unexpectedly forced insured children to pay significantly higher prices for their vaccines and required physicians to carry, track, and store two sets of vaccines. In some cases physicians choose not to carry all vaccines for insured children.

Consequently, the Health Care Task Force began studying the Idaho Immunization Program of the Department of Health and Welfare and requested that Governor Otter provide temporary funding and an opportunity for the Task Force to create a program which would accomplish his goals while at the same time allowing vaccines to be available at the federal Vaccine for Children rate to all children while allowing physicians to carry one stock of vaccines. This bill is the culmination of that effort.

This bill would authorize and enable a board to be created which would assess all health insurance carriers based on the number of insured children. It also creates a fund in the State Treasurer's office which would be used by the state of Idaho to purchase vaccines for insured children and thereby allow insured children and the state of Idaho to benefit from the vaccine purchasing discount available through the federal Centers for Disease Control.

The bill has an emergency clause to address the problem immediately and allow for the first quarterly assessment April 1, 2010. The bill also provides a three-year sunset clause, which will allow time to evaluate the success of the program.

FISCAL NOTE

Passage of this legislation will not have a negative impact to the General Fund. It is considered to have a positive impact, as it provides replacement funding for non-federal VFC (Vaccine for Children) immunizations. As outlined in the bill, the actual fiscal impact to those entities assessed will be determined by the Idaho Immunization Assessment Board. Current estimates for fiscal year 2011 of dedicated funding range from \$4.2 to \$7.2 million in assessment funding needed to purchase vaccines for Idaho's children not covered under the federal (VFC) program or by federal 317 vaccine funding. The estimates will vary each year due to the mix of children that are eligible for federally covered vaccines. Upon passage of this legislation, the Department of Health & Welfare will require an appropriation of \$1.8 million in dedicated fund spending authority for fiscal year 2010 and an additional \$5.4 million in spending authority for fiscal year 2011 in order to spend any funds assessed by the board for purchase of vaccines. The appropriation figures are estimates and any excess spending authority will be reverted.

Contact:

Name: Steve Thomas

Office: Idaho Association of Health Plans

Phone: (208) 385-5468